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The Washington Merry-Go-Round

Asian Guerrillas Offer Opium Deal

By Jack Anderson

The colorful Shan guerrillas have offered to sell the United States most of the Southeast Asian opium crop and to wage war on any other opium convoys that may try to operate in the area. In exchange, they want \$12 million in hard cash and a U.S. promise to help them win autonomy from Burma.

This astonishing proposal was made in writing by two top Shan leaders who sent an emissary down from the hills to meet clandestinely in Bangkok with Rep. Lester Wolff (D-N.Y.). As chairman of a House narcotics subcommittee, Wolff is the House's leading expert on Burma-Thailand-Laos opium production. He was in Bangkok last month on a survey with five other congressmen.

The signed Shan offer to destroy up to 400 tons of high-grade Asian opium, combined with the U.S.-sponsored crack-down on Turkish opium, theoretically could wipe out 75 per cent of the supply of heroin on America's streets. And \$12 million admittedly would be cheaper than trying to stop the smuggling operation the hard way.

As Wolff recounts his dramatic encounter in Bangkok, the Shan emissary, an Englishman, arranged by letter and telephone to meet with him in a hotel lobby away from his congressional colleagues. A follow-up meeting was held in a nook off a bustling Bangkok street.

The Englishman handed him

the two-page proposal signed by Gen. Law Hsin Han and Boon Tai, the two rebel leaders, who also sent as evidence of good faith a handwritten list of all recent opium shipments by mule, backpack and trucks with in the vast Shan state area.

Skeptical at first but eager to explore the offer, Wolff invited American diplomatic, narcotics and CIA officials in Thailand to a meeting where he laid out the strange Shan proposal.

At this private session, the authorities confirmed that the Englishman was an authentic Shan contact and that some of the handwritten reports of opium convoys agreed precisely with their own secret information. Our own sources report that both the State Department and CIA had also been approached by the Shan insurgents but that the negotiations had been aborted by Washington.

Wolff left it to the American officials in Bangkok to pursue the offer but asked for a quick progress report, fearing the unorthodox Shan gambit might become snarled in red tape and bureaucratic timidity. When Wolff reached Hong Kong four days later, he was called by his Shan contact, who reported nothing whatsoever was being done about the Shan offer.

At our request, Wolff has now agreed to show us the proposal in hopes this might stir at least preliminary talks on the feasibility of taping up the Shan opium crop. After all, the United States has subsidized Turkish opium farmers with \$35 million a year so they would

stop growing the lethal stuff. The United States also secretly paid \$1 million to Chinese traffickers and others in Thailand for contraband opium, which was burned. (A secret CIA report claims, however, that the U.S. authorities were deceived and really burned cheap fodder covered with opium.)

Wolff's document, typed beneath the crossed swords letterhead of the Shan State Army, is titled "Proposals to Terminate the Opium Trade in Shan State." It begins:

"The Shan State Army and its allies will invite . . . the United States Narcotics Bureau, or any similar body, to visit the opium areas of Shan State and to transmit information about opium convoys on their own wireless.

"The U.S.A. and its allies will ensure that all opium controlled by their armies is burnt under international supervision. The opium will be sold at a price to be negotiated later, but the basis . . . should be the Thai border price." At present, this would amount to roughly \$12 million for 400 tons of opium.

In return for these "temporary measures," the Shan armies want a "permanent solution" based on political self-determination for the Shans and agricultural assistance from the United States to "replace opium with other crops." If this is finally accomplished, promise the Shan leaders, they will "allow their opium under international supervision to search out and destroy any opium fields that still remain."

In Wolff's view, the advantage of destroying 400 tons of opium far outweighs the ruffling of official Burmese feathers, which direct dealings with the Shans would cause.

Our own CIA sources confirm that the Shan State Army is a tremendous factor in the Southeast Asian drug traffic. One secret report by the CIA's Basic and Geographic Intelligence Office asserts: "The Shan State Army, the largest of several forces that have been fighting for Shan independence from Burma . . . is also heavily involved in the opium business."

Another CIA document tells of caravans of "up to 600 horses and donkeys and 300 to 400 men . . . carrying in excess of 16 tons" moving out of the Shan State. Classified CIA and Justice Department documents say 400 tons of the 700 to 750 tons of opium produced in Southeast Asia come from Burma, much of it from regions controlled or near the Shan State armies.

Wolff, while reluctant to leave Congress during the wind-up of the 1973 session, is willing to serve as an emissary to the Shan generals if it will help get negotiations going. Although he is unwilling to vouch for the Shan generals' ability to deliver on their proposals, he feels they at least warrant serious talk. "So far," he told us, "the U.S. government seems far more eager to wipe out insurgents than to wipe out the heroin trade."

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